

Changes to DB LRM Dated 2-2000
7-18-2001

1. LRM 4, page 4: Bold parenthetical after first paragraph: change cites to “**See LRMs #20 and #64**”.
2. LRM 6, page 6, second Note to reviewer, line 6 and line 11: change cite from **4.3 to 5.3**.
3. LRM 40, page 65: Delete and replace entire LRM with attached new LRM 40.
4. LRM 42, page 79, third paragraph, capitalize “Annual Benefit” in lines 3 and 9. 3rd Note to reviewer: change cite from LRM #102 to **#103**. Page 80, section 2, line 3: add “calendar” between “one” and “month”; delete “or” before “one plan year”; add “, one calendar quarter” after “one plan quarter”; add “or one calendar year” after “one plan year”; second paragraph, line 6, change “commencing” to “ending”. Page 81, “B” 1st election, add “calendar” between “one” and “month”, add “one calendar quarter” as 3rd election, add “one calendar year” as last election.
5. LRM 45, page 85, section 3, first paragraph: delete parenthetical and insert October 17, 2000.
6. LRM 66, page 118, after paragraph: Add the following Note to reviewer:

(Note to Reviewer: Plans may provide for an exception from the general prohibition against the elimination or restriction of optional forms for certain elective transfers. If a plan provides for the elimination or restriction of optional forms for elective transfers made on or after January 1, 2002, the plan must also provide that where the participant is eligible to receive an immediate distribution of the participant’s entire nonforfeitable accrued benefit in a single-sum distribution that would consist entirely of an eligible rollover distribution under §401(a)(31), such transfer will be accomplished as a direct rollover under 401(a)(31). See LRM 54 and Regulation 1.411(d)-Q&A3(a)(4)&(c)(1)(ii).)

7. LRM 92, replace with:

DB 92. Document Provision:

Statement of Requirement: Reliance on opinion letter,
Rev. Proc. 2000-20, 5.13, 5.14, 6.
Rev. Proc. 2001-6, 2001-1 I.R.B. 194;
Announcement 2001-77, 2001-30 I.R.B.

(Note to reviewer: This sample language, or a similar provision, must appear in all standardized plans in close proximity to the employer's signature line.)

Sample Adoption Agreement Language:

The adopting employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the plan is qualified under section 401 of the Internal Revenue Code except to the extent provided in Rev. Proc. 2000-20, 2000-6 I.R.B. 553 and Announcement 2001-77, 2001-30 I.R.B.

An adopting employer may not rely on an opinion letter with respect to the requirements of section 401(a)(26) that apply to prior benefit structures. An employer who has ever maintained or who later adopts any plan (including a welfare benefit fund, as defined in section 419(e) of the Code, which provides post-retirement medical benefits allocated to separate accounts for key employees, as defined in section 419A(d)(3) of the Code, or an individual medical account, as defined in section 415(1)(2) of the Code) in addition to this plan may not rely on the opinion letter issued by the Internal Revenue Service with respect to the requirements of sections 415 and 416.

If the employer wishes to obtain reliance with respect to the requirements of section 401(a)(26) that apply to prior benefit structures, or if the employer who adopts or maintains multiple plans wishes to obtain reliance with respect to the requirements of sections 415 and 416, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service.

The employer may not be entitled to rely on the opinion letter in certain other circumstances, which are specified in the opinion letter issued with respect to the plan or in Revenue Procedure 2000-20 and Announcement 2001-77.

This adoption agreement may be used only in conjunction with basic plan document #_____.

8. Part III – Paired Plan Provisions, pages 138-151, LRMs 93 through 101:
Delete and replace entire part 3 with attached new Part III.

9. LRM 107, page 155: Delete and replace entire LRM with:

107. Document Provision:

**Statement of Requirement: Reliance, Rev. Proc. 2000-20,
Rev. Proc. 2000-20, 5.13, 5.14;
Rev. Proc. 2001-6, 2001-1 I.R.B. 194;
Announcement 2001-77, 2001-30 I.R.B.**

(Note to reviewer: This sample language, or a similar provision, must appear in all nonstandardized plans in close proximity to the employer's signature line.)

Sample Adoption Agreement Language:

The adopting employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the plan is qualified under section 401 of the Internal Revenue Code only to the extent provided in Announcement 2001-77, 2001-30 I.R.B.

The employer may not rely on the opinion letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the opinion letter issued with respect to the plan and in Announcement 2001-77.

In order to have reliance in such circumstances or with respect to such qualification requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service..

This adoption agreement may be used only in conjunction with basic plan document # _____.